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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/328,626	06/09/1999	STEVEN A. BOVE	245-111	7062

570 7590 12/03/2002

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EXAMINER
FELTEN, DANIEL S

ART UNIT	PAPER NUMBER
3624	

DATE MAILED: 12/03/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.	Applicant(s)
09/328,626	Bove et al
Examiner	**Art Unit**
Daniel Felten	3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on *Aug 19, 2002* .

2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) *1-62* is/are pending in the application.

4a) Of the above, claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) *1-7, 9-11, 13-21, 23-25, 27-50, 52-54, and 56-62* is/are rejected.

7) ☒ Claim(s) *8, 12, 22, 26, 51, and 55* is/are objected to.

8) ☐ Claims _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are a) ☐ accepted or b) ☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.

If approved, corrected drawings are required in reply to this Office action.

12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) ☐ All b) ☐ Some* c) ☐ None of:

1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____ .
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

*See the attached detailed Office action for a list of the certified copies not received.

14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

a) ☐ The translation of the foreign language provisional application has been received.

15) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s). _____
4) ☐ Interview Summary (PTO-413) Paper No(s). _____
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other:

DETAILED ACTION

1. Receipt of the Response to the Office Action mailed June 4, 2002 is acknowledged.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 8, 12, 22, 26, 37, 55 and 57 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Regarding claims 12, 26, 37 and 51:

It is unclear from the claim exactly what an Ibbotson score is or how it is being used within the aforementioned claims.

Regarding claims 8, 22, 41 and 55:

the limitation of "about 3%" as it is cited in the aforementioned claims is ambiguous because the word "about" connotes a percentage *range* which is unspecified by the claim. For example, "about 3%" could mean anywhere within a range of 3%.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

5. Claims 1-7, 9-11, 13-21, 23-25 and 27-29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Edesess (US 5,884, 287) in view of Alden (US 5,418,888).

Regarding claims 1 and 15:

Edesess discloses a computerized process and product for automating and executing investment planning for a client comprising:

(a) inputting into a computer data regarding the client's desired asset portfolio(see Edesess, col. 4, ll. 27-30; col. 39, ll. 47-50; col. 5, ll. 15-19) , as in

(b)...desired allocation (see Edesess, col. 4, ll. 45-55; col. 5, ll. 15-22),

(c)... preferred domain (see Edesess, col. 5, ll. 38)

(d)...to automatically generate financial transaction recommendations for modifying the clients current asset portfolio to reach as close as possible to the desired asset allocation and preferred domain (see Edesess, fig. 6, "*Contributions should be increased and/or expenditures reduced when in this zone.*")

(e) displaying the recommendations on a summary report for review by the client or the client's financial manager (see Edesess, figs. 4-6; col. 6, ll. 33+)

Edesess fails to disclose recommendations for selling amounts of selected current assets and specific recommendations for buying amounts of one or more investment funds.

Alden discloses an expert system embodiment which includes an application that recommends buy or selling of assets, particularly stocks (see Alden, col. 36, ll. 34+). It would have been obvious for an artisan of ordinary skill at the time of the invention of Edesess to integrate the aforementioned feature of Alden into the Edesess invention because an artisan at the time of the invention would have recognized that the notoriously old and well known method of buying and/or selling stocks/commodities to improve portfolio performance would provide the Edesess system with an alternative of optimizing the investment plan to reach the

target scenario. Thus such a modification would have been an obvious expedient to one of ordinary skill in the art.

Regarding claims 2 and 16:

Edesess in view of Alden discloses wherein step(d) includes determining tax impacts of potential sell transactions, the recommendations being selected to minimize the tax impacts (see Edesess, col. 5, ll. 38+).

Regarding claims 3 and 17:

Edesess in view of Alden discloses wherein the summary report includes tax impacts of at least some of the recommendations (see Edesess, fig. 4 col. 6, ll. 33+).

Regarding claims 4 and 18:

Edesess in view of Alden discloses, (f) inputting into a computer data regarding the clients asset portfolio preferences, including current assets that the client wishes to hold or sell, and constraints on asset selling, wherein, step

(d) further includes using the data in step (f) to automatically generate the financial transaction recommendations (see Alden, col. 36, ll. 34+).

Regarding claims 5 and 19:

Edesess in view of Alden discloses wherein step (d) includes determining transaction costs of potential sell transactions, the recommendations being selected to minimize the transaction costs (see Alden, "Total cost", col. 42, 23+).

Regarding claims 6 and 20:

Edesess in view of Alden discloses wherein the summary report includes the transaction costs of at least some of the recommendations (see Alden, "Total cost", col. 42, 23+).

Regarding claims 7 and 21:

Edesess in view of Alden discloses wherein the client's current asset portfolio includes repositionable assets, non-repositionable assets and possibly repositionable assets, and step (d) includes a recommendation to hold the client's possibly repositionable assets if the client's new asset location with be within a predetermined percentage of the desired asset allocation after selling all the client's repositionable assets (see Alden, col. 36, ll. 34+).

Regarding claims 9 and 23:

Edesess in view of Alden discloses wherein the client's current asset portfolio includes repositionable assets, non-repositionable assets and possibly repositionable assets, and step

(d) includes treating the possibly repositionable assets as non-repositionable assets when making the current asset portfolio modifications (see Alden, col. 36, ll. 34+).

Regarding claims 10 and 24:

Edesess in view of Alden discloses wherein the client's current asset portfolio includes repositionable assets, non-repositionable assets and possibly repositionable assets, and step (d) includes a recommendation to sell the client's repositionable asset until the tax cost of selling equals a predetermined percentable of the client's current asset portfolio (see Alden, col. 36, ll. 34+).

Regarding claims 11 and 25:

Edesess in view of Alden discloses wherein recommendations include recommendations to (I) add specific amounts of shares to currently held mutual funds, and (ii) open one or more new mutual funds and contribute specific amounts of shares to the new funds (see Alden, col. 36, ll. 34+).

Regarding claims 13 and 27:

Edesess in view of Alden discloses wherein step (d) includes developing target portfolio amounts and adjusted target portfolio amounts for each asset category in the desired asset allocations (see Edesess, fig. 4, col. 6, ll. 33+).

Regarding claims 14 and 28:

Edesess in view of Alden discloses (f) inputting information regarding the client which is necessary to determine the client's desired asset allocation and the client's preferred domain; and

(g) automatically determining the client's desired asset allocation and the client's preferred domain and using the results as the data inputs in steps (b) and (c) (see Edesess, col. 5, ll. 15+).

Regarding claims 29:

Edesess in view of Alden discloses wherein step (e) further comprises communication the specific recommendations for selling amounts of selected current assets and specific recommendations for buying amounts of one or more investment funds to a trade execution computer which automatically performs the necessary transactions to execute the buy/sell recommendations (see Alden, col. 36, ll. 34+).

6. Claims 30-36, 38-40, 42-50, 51-54 and 56-62 are rejected under 35 U.S.C. 103(a) as being unpatentable over Edesess (US 5,884,287) as modified by Alden (US 5,418,888) as applied to claim 1 above, and further in view of Robinson et al (hereinafter referred to as "Robinson", US 5388,248). The teachings of Edesess as modified by Alden have been discussed above.

Regarding claims 30 and 44:

Edesses as modified by Alden fails to disclose computer program product including at least one computer readable medium. Computer readable medium (i.e., IC cards, floppy disks, or compact discs, software packages, etc..) are commonly used in the art to download various computer programs onto computer hard drives for either individual "stand alone" usage, or in conjunction with a network such as the Internet (i.e., American On-line software). Robinson teaches a computer readable medium that has a user programmable memory storage (see Robinson col. 4, ll. 40+). In view of Robinson flash memory card, it would have been obvious for an artisan of ordinary skill at the time of the invention of Edesess as modified by Alden to employ the computer readable medium of Robinson to store the program and to be later downloaded onto a computer system. The computer medium would have provided a convenient means to physically transport software from computer to computer. Thus to provide a computer medium with the aforementioned program would have been an obvious expedient well within the ordinary skill in the art.

Regarding claims 31 and 45:

(see explanation for claims 2 and 16)

Regarding claims 32 and 46:

see explanation for claims 3 and 17)

Regarding claims 33 and 47:

see explanation for claims 4 and 18)

Regarding claims 34 and 48:

see explanation for claims 5 and 19)

Regarding claims 35 and 49:

see explanation for claims 6 and 20)

Regarding claims 36 and 50:

see explanation for claims 7 and 21)

Regarding claims 38 and 52:

see explanation for claims 9 and 23)

Regarding claims 39 and 53:

see explanation for claims 10 and 24)

Regarding claims 40 and 54:

(see explanation for claims 11 and 25)

Regarding claims 42 and 56:

(see explanation for claims 13 and 27)

Regarding claims 43 and 57:

(see explanation for claims 14 and 28)

Regarding claims 58:

(see explanation for claims 29)

Regarding claims 59-62:

(see Alden, col. 36, ll. 34+)

Response to Arguments

7. Applicant's arguments filed August 19, 2002 have been fully considered but they are not persuasive. It is respectfully submitted to the applicant that references, in determining obviousness are not read in isolation but for what they fairly teach in combination with the prior art as a whole, and thus patent assignee's reference-by-reference attack on prior art to demonstrate non-obviousness is not persuasive. (Photoelectric sensing system) Banner Engineering v. Tri-Tonics Co. Inc., 29 USPQ 1392 1389 (CAFC 1993 unpub) citing in re Merck, USPQ 375 (CAFC 1986).

References are evaluated by what they suggest to one versed in the art, rather than their specific disclosure [see In re Bozek, 163 USPQ 545 (CCPA 1969)]. In this case, the primary reference shows a computerized process and product for automating and executing investment planning for a client, the secondary reference shows an expert system embodiment which includes an application that recommends buy or selling of assets, particularly stocks. The 35 USC 103 rejection set forth above provides reasoning for the combinations of references and resolve the level of ordinary skill in the art. In response to applicant's piecemeal analysis of the references, the examiner respectfully submits that one can not show non-obviousness by attacking references individually where, as here, the rejections are based on combinations of references. In regards to applicant's assertion that the primary reference does not teach that specific recommendations are used to reach as close as possible to a desired allocation and/or

preferred domain ("asset placement") it is suggested to the applicant to please read the reference again wherein the applicant's invention relates to computer implemented system and method for providing investment optimization *and characterization* (see field of the invention, col. 1, ll. 12-16). In the Summary of the invention the reference addresses applicants assertion of sell recommendations based upon asset allocation and preferred domain factors at least in col. 2, ll. 35 to col. 3, ll. 40, wherein the investment portfolio tax status is taken into consideration (see also col. 5, ll. 15+). An artisan of ordinary skill in the art would understand that the tax status effects the rate of return and thus causes a reallocation in the investment portfolio.

Conclusion

8. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to ***Daniel S. Felten*** whose telephone number is (703) 305-0724. The examiner can normally be reached between the hours of 7:00AM to 5:30PM Monday-Thursday. Any inquiry of a general nature relating to the status of this application or its proceedings should be directed to the Customer Service Office (703) 306-5631, or the examiner's supervisor ***Vincent Millin*** whose telephone number is (703) 308-1065.

10. Response to this action should be mailed to:

Commissioner of Patents and Trademarks

Washington, D.C. 20231

for formal communications intended for entry, or (703) 305-0040, for informal or draft communications, please label "Proposed" or "Draft".

Communications via Internet e-mail regarding this application, other than those under 35 U.S.C. 132 or which otherwise require a signature, may be used by the applicant and should be addressed to *[daniel.felten@uspto.gov]*.

All Internet e-mail communications will be made of record in the application file. PTO employees do not engage in Internet communications where there exists a possibility that sensitive information could be identified or exchanged unless the record includes a properly signed express waiver of the confidentiality requirements of 35 U.S.C. 122. This is more clearly

set forth in the Interim Internet Usage Policy published in the Official Gazette of the Patent and Trademark on February 25, 1997 at 1 195 OG 89.

DSF
December 2, 2002

HANI M. KAZIMI
PRIMARY EXAMINER